

State of South Carolina)	Before the Chief Procurement Officer
)	
County of Richland)	
)	Protest Settlement Approval
In the Matter of Protest of:)	2008-141
Medical Transportation Management, Inc.))	
)	
Materials Management Office)	
IFB No. 5400000342)	
Transportation Services for Eligible)	Posted December 9, 2008
Department of Social Services Clients)	
)	

The Dispute

This matter came before me, the Chief Procurement Officer for Supplies and Services, by way of Medical Transportation Management, Inc. (hereinafter "MTM") protesting the award for transportation services for twenty-seven South Carolina counties to LogistiCare Solutions, LLC (hereinafter "LogistiCare"). This was a procurement conducted on behalf of the South Carolina Department of Social Services (hereinafter "DSS") for Medicaid transportation services.

On May 2, 2008, the Materials Management Office (hereinafter "MMO") issued Solicitation Number 5400000342. The solicitation sought competitive bids for transportation services for eligible DSS clients in select counties throughout the State. On October 8, 2008, a Notice of Intent to Award was issued by MMO that a contract for transportation services would be awarded to LogistiCare for twenty-seven counties, including McCormick and Edgefield counties. MTM timely protested the award to LogistiCare.

On November 14, 2008, MTM, LogistiCare, the State Procurement Officer and DSS appeared before me at 1201 Main Street, Columbia, South Carolina to hear the protest. At that time settlement of the case was explored and as a result thereof, after several hours the parties advised me that the matter had been fully resolved between them and that DSS was satisfied with and would consent to the proposed terms of settlement.

Terms of the Settlement

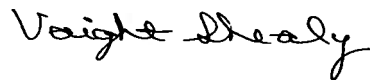
The hearing was reconvened and at that time LogistiCare represented that proceeding with the receipt of the award for Edgefield and McCormick counties would cause it to suffer economic hardship and substantial loss and therefore sought permission to withdraw its bid for those counties under *S.C. Code Ann.* 11-35-1520(7). The State Procurement Officer concurred with the request and recommended that

LogistiCare be permitted to withdraw its bid for the two counties only and further agreed that upon the withdrawal of the bid for those counties, the contract would be awarded to MTM for Edgefield and McCormick counties. MTM was the only other bidder for those counties. According to the settlement agreement, MTM agrees to withdraw its protest. The settlement terms have been more fully set forth in a "Settlement Agreement" executed by all parties to this matter dated November 21, 2008, which document is attached and incorporated herein by reference.

Approval of the Settlement

The *S.C. Code Ann.* § 11-35-4210(3), in addition to providing authority to attempt settlement between the parties to a protest, provides that the Chief Procurement Officer "has the authority to approve any settlement reached by mutual agreement." Pursuant to this authority, I find that the parties' agreement to resolve this matter is in the best interests of the State and should be approved. Further, I find that the parties to the settlement are informed and fully understand it. Therefore, the withdrawal of the LogistiCare bids for Edgefield and McCormick counties is approved and the State Procurement Officer may award the contract for transportation services in those counties to MTM. I further find that the terms and conditions of the Settlement Agreement to the same effect should also be approved in the best interests of the State.

Therefore, pursuant to the S.C. Code Ann. § 11-35-4210(3), the settlement of this matter as recited in the executed Settlement Agreement of all parties is APPROVED and upon the posting of this Order, MMO shall issue its Award of the DSS transportation contracts for Edgefield and McCormick counties to Medical Transportation Management, Inc., in accordance with the terms of its bid. This agreement settles all claims set forth in its protest by MTM.



Voight Shealy
Chief Procurement Officer
South Carolina Budget & Control Board
Materials Management Office

December 9, 2008
Columbia, South Carolina

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BRIAN P. ROBINSON, P.A.
WESLEY D. PEEL, P.A.
JOEY R. FLOYD, P.A.
WILLIAM D. BRITT, JR., P.A.

LEAH EDWARDS GARLAND

AUTHOR'S E-MAIL: WMULLINS@bprwm.com

December 2, 2008

VIA HAND DELIVERY

Mr. R. Voight Shealy
Chief Procurement Officer
Office of Materials Management
1201 Main Street, Suite 600
Columbia, S.C. 29201

RCVD MM0

DEC 2 '08 TU 1:39PM

Re: Protest of Award of Contract for Solicitation No. 5400000342
Transportation Services for Eligible DSS Clients for Dept. of Social Services
Our File No.: 7-1628-104

Dear Mr. Shealy:

As discussed at the hearing on this matter, enclosed please find the Settlement Agreement which has been executed by all the parties, which would effectively resolve the protest. We are asking that the Chief Procurement Officer approve the settlement on the terms set forth in the agreement. If there are any questions relating to the Settlement Agreement or any other matter, please do not hesitate to contact me.

With my kindest regards, I am

Sincerely,



E. Wade Mullins, III

EWM/rdd
Enclosure

cc: John E. Schimdt, III, Esquire
Frank S. Potts, Esquire
Donald C. Tiemeyer, Esquire

Kathy G. Gettys, Esquire
John R. Stevens, CPPB, CPM

STATE OF SOUTH CAROLINA)
COUNTY OF RICHLAND)
BEFORE THE CHIEF PROCUREMENT
OFFICER FOR GOODS AND SERVICES
C/A No.: 06-CP-40-6733

In the Matter of Protest of:)
Case No. 2008-141

Medical Transportation Management, Inc.)

SETTLEMENT AGREEMENT

Materials Management Office)
IFB No. 5400000342)
Transportation Services for Eligible)
Department of Social Services Clients)
_____)

THIS AGREEMENT is entered into on this 21st day of November, 2008, by and between Medical Transportation Management, Inc. ("MTM"), LogistiCare Solutions, LLC ("LogistiCare"), South Carolina Department of Social Services ("DSS"), and the State Procurement Office.

WHEREAS, On May 2, 2008, the Materials Management Office ("MMO") issued Solicitation No. 5400000342. The solicitation sought competitive bids for transportation services for eligible Department of Social Services clients in select counties throughout the state.

WHEREAS, the Materials Management Office issued a Notice of Intent to Award a contract to LogistiCare for twenty-seven (27) counties, including McCormick and Edgefield counties;

WHEREAS, MTM timely filed a protest with the Chief Procurement Officer, Materials Management Office, on October 20, 2008, effectively protesting the award of the twenty-seven (27) counties to LogistiCare;

WHEREAS, the State Procurement Office suspended the award of the Contract pending administrative review by the Chief Procurement Officer;

WHEREAS, MTM, LogistiCare, DSS and the State Procurement Office, after full and complete negotiations, have reached an agreement to resolve the protest and wish to memorialize this agreement in writing;

NOW, THEREFORE, in consideration of the promises, the mutual covenants and undertakings set forth hereinafter and other valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

1. LogistiCare, hereby requests that it be permitted to withdraw its bids for Edgefield and McCormick counties. The grounds for this request, as set forth more fully by the parties at the hearing before the Chief Procurement Officer, is that going forward with the award to LogistiCare for McCormick and Edgefield counties would cause it economic hardship and substantial loss. The State Procurement Office agrees to the withdrawal request of LogistiCare.

2. Upon approval by the Chief Procurement Officer of LogistiCare's request to withdraw its bid for Edgefield and McCormick counties, the State Procurement Office shall promptly issue the award of Edgefield and McCormick counties to MTM as the next highest ranked Offeror and only other Offeror for those counties. The award shall be made at the prices submitted by MTM in its proposal for the respective counties.

3. MTM agrees to withdraw its protest of Solicitation No. 5400000342 with prejudice.

4. The undersigned parties agree to waive, release and relinquish all rights to appeal to the Procurement Review Panel or to further protest Solicitation No. 5400000342 in any regard, including with respect to the award of Edgefield and McCormick counties to MTM.

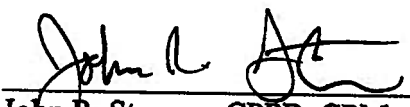
5. Each party to this Settlement Agreement affirmatively represents to the other that such party has carefully read the foregoing Settlement Agreement, that such party has been advised by counsel in connection with the execution hereof and of the provisions, conditions and effect hereof and that such party knows and understands the contents hereof and has voluntarily executed this document.

6. This Agreement shall take effect upon approval of the Chief Procurement Officer.

IN WITNESS WHEREOF, the parties have executed and delivered this agreement, or have caused the agreement to be executed and delivered by their duly authorized officers, the day and year first set forth above.

AGREED BY

For the State Procurement Office:

BY: 
John R. Stevens, CPPB, CPM

For LogistiCare Solutions, LLC:

BY: _____
ITS: _____

For Medical Transportation Management, Inc.

BY: _____
ITS: _____

**For the South Carolina Department of
Social Services**

BY: _____
ITS: _____

Each party to this Settlement Agreement affirmatively represents to the other that [REDACTED] has carefully read the foregoing Settlement Agreement, that such party has been advised [REDACTED] in connection with the execution hereof and of the provisions, conditions and effect [REDACTED] that such party knows and understands the contents hereof and has voluntarily executed [REDACTED] ment.

This Agreement shall take effect upon approval of the Chief Procurement Officer.

WITNESS WHEREOF, the parties have executed and delivered this agreement, or [REDACTED] the agreement to be executed and delivered by their duly authorized officers, the day [REDACTED] first set forth above.

AGREED BY

State Procurement Office:

For LogistiCare Solutions, LLC:

John R. Stevens, CPPB, CPM

BY: M. [Signature]

ITS: General Counsel

Medical Transportation Management, Inc.

For the South Carolina Department of Social Services

BY: _____

ITS: _____

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AGREED BY

For the State Procurement Office:

BY: _____
John R. Stevens, CPPB, CPM

For LogistiCare Solutions, LLC:

BY: _____
ITS: _____

For Medical Transportation Management, Inc.

BY: Alaina Nacia'
ITS: CEO

For the South Carolina Department of Social Services

BY: _____
ITS: _____

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AGREED BY

For the State Procurement Office:

BY: _____
John R. Stevens, CPPB, CPM

For LogistiCare Solutions, LLC:

BY: _____
ITS: _____

For Medical Transportation Management, Inc.

BY: _____
ITS: _____

**For the South Carolina Department of
Social Services**

BY: Kathy Callys
ITS: Assistant General
Counsel
11/21/08